

# **Frequently Asked Questions for the Regional Innovation Strategies Program**

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*Updated on October 22, 2014*

## **What is the objective of the Regional Innovation Strategies Program?**

The objective of the Regional Innovation Strategy is to make funding available for capacity-building activities that include Proof of Concept Centers and Commercialization Centers as well as scaling of existing commercialization programs and centers; feasibility studies for the creation and expansion of facilities such as science and research parks; and supporting opportunities to close the funding gap for early-stage companies.

## **What are the three competitions being offered through this program?**

Under this program, EDA is soliciting applications for three separate competitions:

1. 2014 i6 Challenge;
2. Science and Research Park Development Grants, and
3. Cluster Grants for Seed Capital Funds.

## **What is the i6 challenge?**

The i6 Challenge, in its fourth iteration, is a leading national initiative designed to support the creation of centers for innovation and entrepreneurship that increase the commercialization of innovations, ideas, intellectual property and research into viable companies.

## **What are the requirements for Science and Research Park Development Grant Projects?**

EDA expects to fund proposals to conduct feasibility projects, planning projects, or both, for the construction of new science and research parks or the expansion or renovation of existing science and research parks. There is no funding for actual construction included in this funding opportunity.

## **What are the requirements for Cluster Grants for Seed Capital Funds?**

EDA is looking to provide funding for technical assistance, feasibility studies and marketing related to the planning, formation, or launch of cluster-based seed capital funds to be deployed in support of innovation-based startups with a potential for high growth.

## **How are Cluster Grants for Seed Capital Funds different from programs offered by the Small Business Administration (SBA)?**

While the SBA's Small Business Investment Company (SBIC) program funds ultimately pass to startup companies, funding awarded through this program cannot. Instead, applicants may request funding to support seed capital funding programs and direct supporting programs. Additional information about SBA's SBIC program can be found on their website: [www.SBA.gov](http://www.SBA.gov)

### **Are grantees required to submit a separate application for each competition?**

Applicants may, but are not required to, submit proposals for more than one competition under the RIS Program. If you do plan to apply to more than one competition, you must submit a separate application packet for each competition.

### **Who is eligible to apply for funding?**

1. a State;
2. an Indian tribe;
3. a city or other political subdivision of a State;
4. an entity that—
  - a. is a nonprofit organization, an institution of higher education, a public-private partnership, a science or research park, a Federal laboratory, or an economic development organization or similar entity; and
  - b. has an application that is supported by a State or a political subdivision of a State; or
5. a consortium of any of the entities described in subparagraphs (1) through (4).

For Science and Research Park Development Grants *only*, in addition to the types of applicants listed above, the following applicants are also eligible to apply:

6. a Hospital;
7. a Commercial organization; or,
8. a consortium of any of the entities described in subparagraphs (1) through (7).

\*EDA is **not** authorized to provide grants or cooperative agreements to individuals\*

### **How much funding is available for the i6 Challenge competition?**

FY 2014 i6 Challenge competition will allocate up to \$8 million, from which EDA expects to award approximately 16 or more grants each valued at a maximum of \$500,000.

### **How much funding is available for the Science and Research Park Development Grants competition?**

Science and Research Park Development Grants competition will allocate up to \$5 million, from which EDA expects to award approximately 10 or more grants each valued at a maximum of \$500,000.

## How much funding is available for the Cluster Grants for Seed Capital Funds competition?

Cluster Grants for Seed Capital Funds will allocate up to \$2 million, from which EDA expects to award approximately 8 or more grants each valued at a maximum of \$250,000.

## What is the minimum match required?

For the i6 Challenge and Cluster Grants for Seed Capital Funds competition, applicants must demonstrate a matching share (cash, in-kind, or a combination of cash and in-kind contributions), which must be available and committed to the project from non-Federal sources. EDA will give preference to proposals with higher matching shares to further leverage Federal funds and help ensure additional project impact. For these two competitions, the amount of an EDA grant may not exceed 50 percent of the total cost of each project. For example, if the total cost of the project is \$500,000 then EDA would contribute 50 percent of the project cost (\$250,000) and the recipients would be required to match those funds with an additional \$250,000.

For the Science and Research Park Development Grants competition, cost sharing or matching is not required for an EDA award.

## What can be considered in-kind contributions?

In-kind contributions may provide the required non-federal share of the total project cost and can consist of non-cash contributions directly related to the proposed project, such as space, equipment, or services. The market value of the space can be used as in-kind contribution for the life of the project. The most common in-kind contributions are space (leasing a building, office space, meeting area) and/or in some cases personnel time/employee salaries that are used directly related to the project.

**Can program income be used toward the match requirement?** EDA does not allow for program income to be considered as matching share of cost for the projects that it funds. Funds committed as matching share of cost must be accessible at the time a project is scheduled to begin. Matching share of cost cannot consist of money that may be collected at a future date. EDA treats program income as an offset to the total project costs, which impacts the cost that can be counted for the purposes of reimbursement.

## What is the anticipated duration for each project period?

For the **i6 Challenge**, the anticipated award will have an initial project period of three years with an estimated start date on or about 120 days after the closing date of the program.

For the **Science and Research Park Development Grant** competition, the anticipated award will have an initial project period of twelve months with an estimated start date on or about 120 days after the closing date of the program.

For the **Cluster Grants** competition, the anticipated award will have an initial project period of two years with an estimated start date on or about 120 days after the closing date of the program.

### **How do I obtain an application package?**

An applicant may obtain the appropriate application package electronically at [www.grants.gov](http://www.grants.gov) (Grants.gov). Applicants may search for this funding opportunity on Grants.gov using Funding Opportunity Number: EDA-HDQ-OIE-2014-2004219.

### **When is the deadline for submission and where do I submit the application package?**

The closing date for receipt of applications for this program is November 3, 2014. Applications should be submitted electronically via [www.grants.gov](http://www.grants.gov) (Grants.gov) and must be received by 11:59 p.m. Eastern Time on Monday, November 3, 2014. EDA will not accept paper, facsimile or email transmissions of applications for this program.

**Applications received after the closing date and time will not be considered for funding.**

### **What are the evaluation criteria for the i6 Challenge competition?**

For the FY 2014 i6 Challenge, the following five factors will be considered. Each factor will be weighted as indicated for a total possible score of 100 points. The factors are: Approach (25 points), Feasibility of Implementation - Plan (25 points), Feasibility of Implementation - Personnel Qualifications and Resources (15 points), Feasibility of Implementation - Sustainability (10 points), and Impact (25 points).

### **What are the evaluation criteria for the Science and Research Park Development Grants competition?**

For Science and Research Park Development Grants, applications will be evaluated based on the extent to which the proposed plan or feasibility study meets the following criteria in its scope of work. Each factor will be weighted as indicated for a total possible score of 100 points. The factors are: Economic Opportunity (25 points), Feasibility of Implementation (15 points), Approach (30 points), and Community and Infrastructure Support (30 points).

### **What are the evaluation criteria for the Cluster Grants for Seed Capital Funds competition?**

For Cluster Grants for Seed Capital Funds, applications will be evaluated based on the extent to which the proposed program and requested support meet the following criteria. Each factor will be weighted as indicated for a total possible score of 100 points. The factors are: Program Focus and Structure (25 points), Approach (15 points), Community and Infrastructure Support (30 points), and Impact (30 points).

### **Can projects contain construction activity?**

There is no funding available for construction projects under this program, including projects related to the design or renovation of buildings.

### **Can previous i6 recipients be eligible for this competition?**

Previous i6 recipients are eligible to the extent to which their applications build upon and create synergies with previous funded work.

### **What is the easiest way to contact the Office of Innovation and Entrepreneurship (OIE)?**

If you require additional information, please contact OIE by email at [OIE@EDA.gov](mailto:OIE@EDA.gov).

### **Will EDA conduct an informational webinar?**

In early September, EDA conducted two informational webinars that allowed prospective recipients to hear more about the program and to openly ask questions concerning the three competitions. A recording of the webinar can be found on the EDA webpage at <http://www.eda.gov/oie/2014-risp-competition.htm>.

### **Where can I find examples of past projects that qualified for these types of grants?**

The i6 challenge competition is in its 4<sup>th</sup> iteration and information on past projects can be found on EDA's website. No previous awards have been made under the other two competitions (Cluster Grants for Seed Capital Funds and Science & Research Park Development Grants), as this is the first year EDA has had funding available for these programs.

### **My organization received an EDA grant; will that affect my eligibility for these new competitions?**

No; however, the Grants Officer may take into consideration past performance on previous awards when making final selections.

### **What if my organization is planning on subcontracting out a portion of the work? Is the subcontractor considered a co-applicant?**

If your organization intends to enter into a buyer and seller relationship that is bound under a contract, then only that organization is required to submit application forms and documents. However, the services to be retained will need to be acquired under an open and free competitive process that is in compliance with federal procurement standards under the applicable Uniform Administrative Requirements regulations. The subcontractor would not be considered a co-applicant.

### **How do you determine who the co-applicant is and what forms are they required to submit?**

If the other entities in question will be partnered with the lead applicant in the management of the grant, and will have direct access to the grant award funds in the form of direct transfers of the proceeds of the award then that entity can be considered a co-applicant. For assistance identifying co-applicants, please reach out to the [OIE@EDA.gov](mailto:OIE@EDA.gov) email. Co-applicants are required to provide:

- i. Form SF-424 (Application for Federal Assistance)

- ii. Form SF-424 B (Assurances-Non-Construction Programs)
- iii. Form CD-511 (Certification Regarding Lobbying)
- iv. Form SF-LLL (Disclosure of Lobbying Activities)
- v. If the applicant or co-applicant is a non-profit, a copy of the (1) Certificate of good standing from the State in which the non-profit organization is incorporated; (2) non-profit organization's current Articles of Incorporation or other formation documents, as applicable; (3) By-Laws; and (4) resolution (or letter) from a general purpose subdivision of State government acknowledging that the non-profit organization is acting in cooperation with officials of that political subdivision (see 13 C.F.R. § 301.2).
- vi. If the applicant or co-applicant is a for-profit, a copy of the (1) Certificate of good standing from the State in which the for-profit organization is incorporated; (2) for-profit organization's current Articles of Incorporation or other formation documents, as applicable; and (3) By-Laws.

### **Are institutions limited to submitting one proposal per competition?**

Technically, there are no limits to the amount of proposals an organization may submit; however, applicants should clearly indicate that they are submitting multiple different proposals, rather than changes to a previously submitted application. Organizations intending to submit multiple applications should also keep in mind that the Grants Officer will take into consideration the extent to which the project supports EDA's goals of geographic balance in distribution of program funds, project types, organizational type (to include smaller and rural organizations) and the overall portfolio of awards when making final selections; therefore, multiple proposals from the same organization are not likely to be funded.

### **Is there a limit on the indirect cost rate?**

Indirect costs are allowed based on the rate approved by your cognizant agency.

### **Does EDA allow program income to be considered a match or an addition to the award?**

EDA does not allow for program income to be considered as matching share of cost for the projects that it funds. Funds committed as matching share of cost must be accessible at the time a project is scheduled to begin. Matching share of cost cannot consist of money that may be collected at a future date. EDA treats program income as an offset to the total project costs, which impacts the cost that can be counted for the purposes of reimbursement.

### **Can I receive technical assistance on my grant proposal?**

OIE partnered with project officers from all six regional offices are available to provide technical assistance to prospective recipients. They will be available to talk about it in general terms; however, we cannot assist you in a manner that may be perceived as

giving you an unfair competitive advantage over other applicants. Also, they will not be able to provide assistance on terms of the projects competitiveness.

**Under the Science and Research Park Development Grants, there is no cost match, if a grantee provides a match; does this make them more competitive?**

Although not required, when recipients provide matching funding it shows a degree of commitment to the project. Under the evaluation criteria for this competition it indicates that preference will be given to applications that demonstrate regional collaboration and the ability to leverage.

**Can a non-profit applicant for the Cluster Grants for Seed Capital Funds competition be associated with a for-profit fund?**

Funds awarded through the Cluster Grants for Seed Capital Funds competition under America COMPETES authority can be used for activities of the non-profit applicant that support the “feasibility, planning, formation, or launch” of a cluster-based seed capital fund. Where a for-profit seed capital fund will be supported, funds going to the non-profit applicant cannot be used to augment the seed capital fund or pass-thru to the for-profit entity. EDA, in its discretion, reserves the right to request additional information and documentation from the non-profit applicant to examine the relationship between the non-profit applicant and the for-profit seed capital fund.

**Can we use the Cluster Grants for Seed Capital Funds to support/market a small loan program?**

Unfortunately, the cluster grant for seed capital funds competition is looking for proposals that support or take equity in the business they will support. Projects should focus on investing in equity capital rather than debt, therefore loan or revolving loan programs would not meet that criteria and would not qualify for a grant.

**What is EDA’s definition of a cluster?**

EDA defines clusters as geographic concentrations of firms, workers and industries that do business with each other and have common needs for talent, technology, and infrastructure. Clusters are essentially networks of similar, synergistic, or complementary entities that are engaged in or with a particular industry sector; have active channels for business transactions and communication; share specialized infrastructure, labor markets, and services; and leverage the region’s unique competitive strengths to stimulate innovation and create jobs. Clusters may cross municipal, county, and other jurisdictional boundaries.

**Under the section: “Requirements for Project Narratives” it indicates that a 1-2 page resume should be included for each key personnel involved in the project. Are these resumes included in the 12-page maximum?**

Key personnel resumes can be uploaded as an attachment to the Grants.gov application and are not included in the project narrative. The project narrative, however, should



include an overall description of personnel roles, activities/deliverables and overall purpose.

**Under the section: “Requirements for Project Narratives” it indicates that applicants must include a budget narrative, but in the application there is also a section for budget information, do applicants need to complete both forms?**

Yes, both forms are required in order to submit a complete application. In the application, there are two sections for budget information, one is the Form 424A Budget Information Non-Construction Programs, which identifies each budget line item, the second section is the budget narrative (included in project proposal) which provides a clear budget justification of each line item, and how each budget category will be used to support the proposed project.

**The FFO discusses a maximum amount for an EDA grant, but can applicants apply for less than that amount?**

Yes, an applicant can apply for less than the maximum amount stated in the grant opportunity.

**We’ve just learned of the i6 grant opportunity. We want to submit a quality application but don’t feel we can do that by November 3rd. Will this funding opportunity be offered again?**

Unfortunately, we will not know the answer to this question until Congress has appropriated funding to EDA for this year.

**What distress criteria must be met in order to be eligible to receive EDA funding?**

Unlike EDA’s other programs which are authorized under PWEDA, the Regional Innovation Strategies Program was authorized under section 27 of the America COMPETES Reauthorization Act of 2010, and therefore does not require recipients to meet the distress criteria to be considered eligible.

**How are applications reviewed?**

Applications will be reviewed based on the process outlined in section V.A of the FFO, using the evaluation criteria outlined in sections V.A.1-3.

**How are applicants notified if they are selected for the i6 Challenge?**

After the Grants Officer selects the winning applicants, the grant awards will be issued. The grant award (using Form CD-450) will be submitted by two-day delivery service to the appropriate business office of the winning applicant and must be signed and returned without modification to EDA by an authorized representative of the winning applicant within 30 days after receipt. Unsuccessful applicants will be notified that their application was not selected for funding.